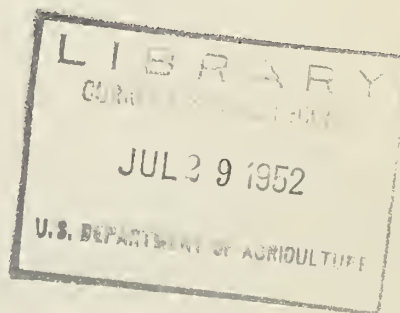


Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

³
Agricultural
Cooperation
in **DENMARK**
and **SWEDEN**

²
BY JOHN H. HECKMAN,
AND ANNA E. WHEELER



^{7a}
⁷ U.S. COOPERATIVE RESEARCH AND SERVICE DIVISION
FARM CREDIT ADMINISTRATION
U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.
IN COOPERATION WITH THE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS

^{7b} MISCELLANEOUS REPORT, 165.

^{5c}
MAY 1952

INV. '60

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM CREDIT ADMINISTRATION
WASHINGTON 25, D. C.
I. W. DUGGAN, GOVERNOR

COOPERATIVE RESEARCH AND SERVICE DIVISION

HAROLD HEDGES, CHIEF

JOSEPH G. KNAPP, ASSOCIATE CHIEF



The Cooperative Research and Service Division conducts research studies and service activities relating to problems of management, organization, policies, merchandising, sales, costs, competition, and membership arising in connection with the cooperative marketing of agricultural products and the cooperative purchase of farm supplies and services; publishes the results of such studies; confers and advises with officials of farmers' cooperative associations; and cooperates with educational agencies, cooperative associations, and others in the dissemination of information relating to cooperative principles and practices.



COPIES OF THIS PUBLICATION MAY BE HAD ON REQUEST
WHILE A SUPPLY IS AVAILABLE FROM THE
DIRECTOR OF INFORMATION AND EXTENSION
FARM CREDIT ADMINISTRATION
U. S. DEPARTMENT OF AGRICULTURE
WASHINGTON 25, D. C.

CONTENTS

Denmark

	Page
Characteristics and practices of Danish cooperatives-----	1
Danish cooperatives and the government-----	5
Agricultural Producer and consumer cooperatives-----	5
Early beginnings of cooperation-----	6
First cooperatives-----	7
Dairy cooperatives-----	8
Federated Danish Cooperative Butter Export Association-----	9
Federation of Danish Dairy Associations-----	9
Bacon factories-----	9
Development period-----	10
Federation of Danish Cooperative Bacon Factories-----	11
Danish Farmers' Cooperative Egg Export Association-----	11
Federation of Cooperative Poultry-Killing Stations-----	12
Cattle export societies-----	12
Federation of Danish Cooperative Cattle Export Associations-----	12
Danish Farmers' Cattle Sales Association-----	12
Danish Cattle and Beef Export Organization-----	13
Cooperative feeding-stuff societies-----	13
Danish Cooperative Fertilizer Association-----	14
Danish Farmers' Cooperative Machinery Purchase Society-----	14
Danish Farmers' Cooperative Seed Supply Association-----	15
Danish Fruit Growers' Cooperative Association-----	16
Danish Dairies Joint Purchasing Agency and Engineering Works-----	16
Danish Cooperative Cement Factory-----	16
Danish Cooperative Coal Association-----	16
Cooperative Insurance-----	16
Dairy and Agricultural Accident Insurance Society-----	17
Other cooperative insurance-----	17
Cooperative Societies Sanatorium Association-----	17
Cooperative credit-----	17
Cooperative Bank-----	17
National Union of Cooperative Village Banks-----	18
Royal Danish Agricultural Society-----	18
The Agricultural Council-----	19
The Federation of Danish Agricultural Societies-----	20
The Federation of Danish Smallholders' Societies-----	20
The Large Farm Owners' Association-----	21
Central Cooperative Committee-----	21
The Federation of Danish Cooperative Societies-----	22

Sweden

Objectives and practices of agricultural cooperatives-----	23
Federations of cooperatives-----	24
Federation of Swedish Farmers' Associations-----	25
Royal Mortgage Bank of Sweden-----	25
Swedish Farmers' Purchasing and Selling Association-----	27
Swedish Distillers' Association-----	28
Swedish Fur Breeders' Association-----	28
Swedish Starch Producers' Association-----	28
Swedish Farmers' Bank-Credit Association-----	28
Swedish Dairies Association-----	29
Swedish Egg Marketing Association-----	31
Association of Swedish Forest Owners-----	32
Swedish Farmers' Meat Marketing Association-----	32
Flax-Hemp Growers' Association-----	33
Swedish Oil Plant Growers Association-----	33
Federations of cooperatives which are not members of SL-----	33
Beet Growers' Association-----	33
Elevator Association-----	33
Market Gardening Association-----	33
Swedish Federation of Commercial Fruit Growers-----	34
Federation of Swedish Artificial Insemination Associations-----	34
Storehouse Societies-----	34
Machine stations-----	34
Agricultural cooperatives and the general farm organizations-----	34
Agricultural cooperatives and the government-----	34
Agricultural and consumer cooperatives-----	34
Glossary of names of agricultural cooperatives described herein-----	40
List of references-----	42

FOREWORD

Interest in farmer cooperatives and general farm organizations of Western Europe is increasing in the United States. At least two factors are responsible for this increasing interest. One is the close working relations developing between the agricultural organizations of Western Europe and those of the United States. The other is the important role which these organizations play in the policy and distribution programs of their countries.

In the United States, information on the development, importance, structure, practices, and relationships of agricultural cooperatives in these countries is limited. This report has been prepared as the first of a series of chapters on agricultural cooperatives of Western Europe in which these organizations are most important. Chapters on the agricultural cooperatives of two countries -- Denmark and Sweden -- are here presented. Information on the cooperatives of other countries of Western Europe will be published later.

Several phases of cooperation and cooperative development in each country are covered. In a brief historical sketch, the time and place of organizing the first cooperatives, the reasons for organizing, the services performed, and the periods of greatest activity are discussed. The organization set-up and relative national importance of each commodity or enterprise cooperative in its field are shown. In addition, the relationships of the agricultural cooperatives with consumer cooperatives, general farm organizations, and government, are discussed.

This publication is a joint project of the Farm Credit Administration and the Office of Foreign Agricultural Relations. The primary sources of subject matter are the documents on farm organizations which have been prepared by the various foreign missions as part of the Agricultural Reporting Schedule. In some countries these documents have been supplemented by additional information supplied by these posts. Also, in some instances, material supplementary to both of these sources has been used.

AGRICULTURAL COOPERATION IN DENMARK AND SWEDEN

By

John H. Heckman and Anna E. Wheeler

Agricultural Economists

DENMARK

Danish cooperatives have developed and expanded as various needs for them have arisen. The movement was not planned and organized. Consequently they are a complicated network of many organizations. Some are dependent on others and some entirely independent.

CHARACTERISTICS AND PRACTICES OF DANISH COOPERATIVES

The backbone of the Danish cooperative system is the local society. Membership in cooperatives in 1950 totaled about 2 million, which, of course, is a total of the individual memberships in each of the associations. While there are only about 210,000 individual farms in Denmark, about 475,000 rural and urban people are members of one or more cooperatives. There are approximately 7,250 producer and nearly 2,000 consumer cooperatives (figures 1 and 2). These locals, in turn, are organized into federations. There are 19 major federations.

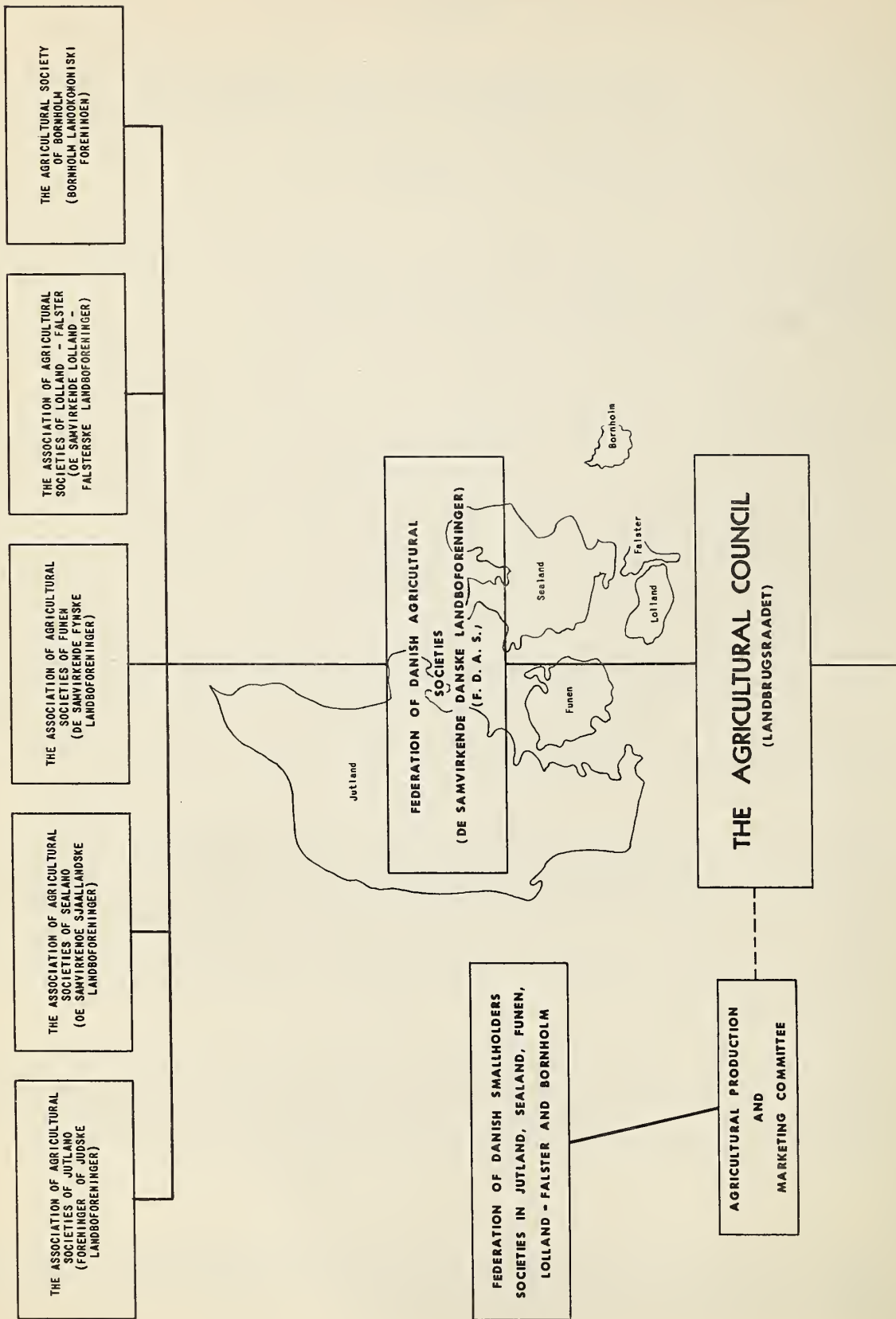
Danish cooperatives are usually organized around one activity or commodity. This is true of both federations and locals and accounts for the 19 federations (figure 2). Local cooperatives may handle the products or services of several federations. However, the locals are primarily single activity associations such as dairy, bacon, egg, fertilizer and feedstuff.

Danish cooperatives are soundly and very democratically organized. The one-member, one-vote method is used in the local societies. In the locals, liability is unlimited. This is modified in the case of the federations. Here the members live farther apart and are not so well acquainted. Thus, they hesitate to assume unlimited obligations with producers whom they do not know. Therefore, the liability of local societies in federations is usually limited to their patronage with the federation during a specified period.

Tightly drawn contracts are in effect between the producers and the local societies and between the locals and the federations. The periods vary from 1 to 20 years. Generally, these contracts are self-renewing unless notice to withdraw is given during a specified notification period.

Note: The authors of this publication are deeply indebted to George L. Peterson, Food and Agriculture Officer, Copenhagen, and his staff; and to Elmer A. Reece, Agricultural Attache, American Embassy, Stockholm, and his staff, for their painstaking review of the manuscript and for many helpful suggestions.

FIGURE 1



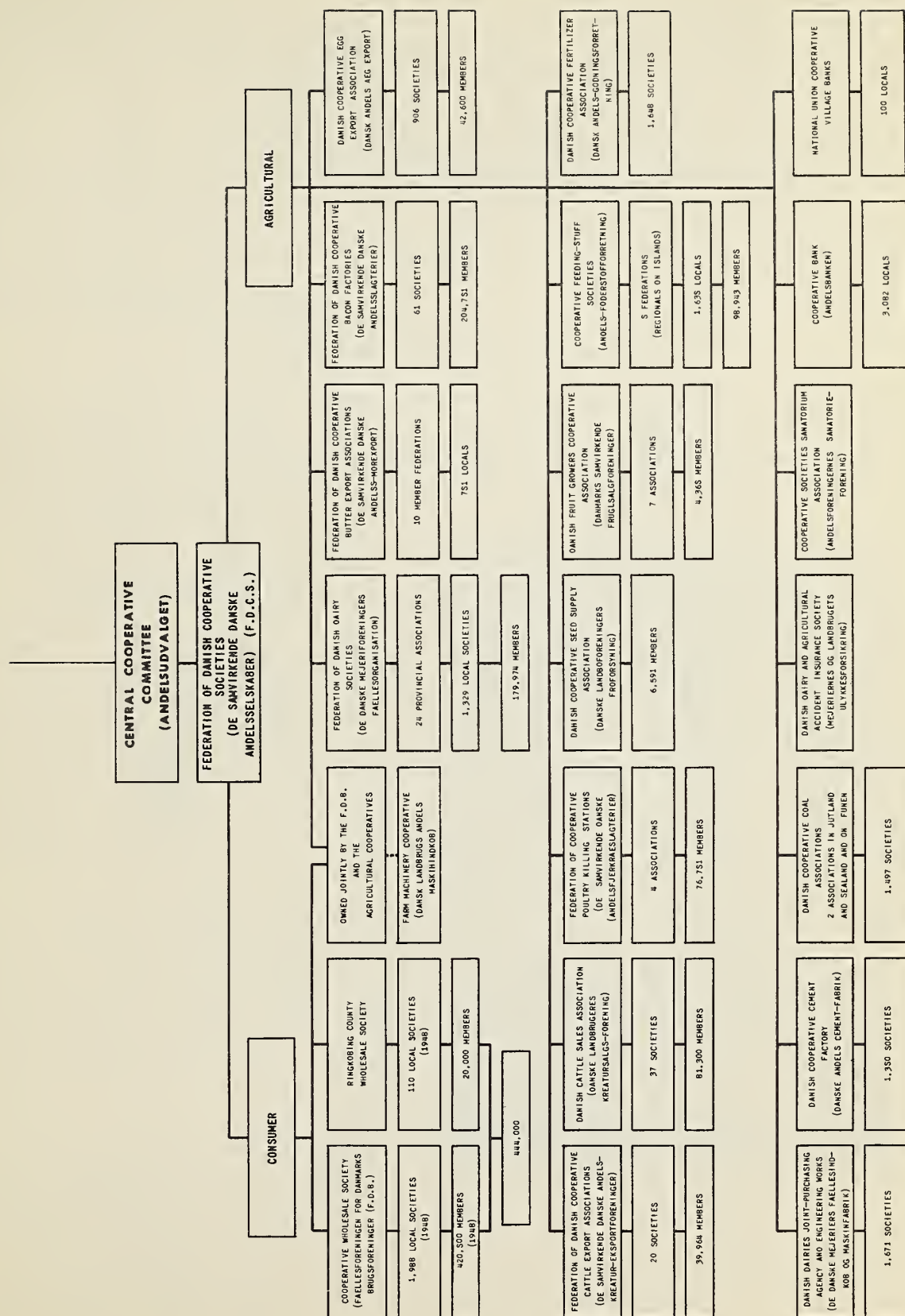
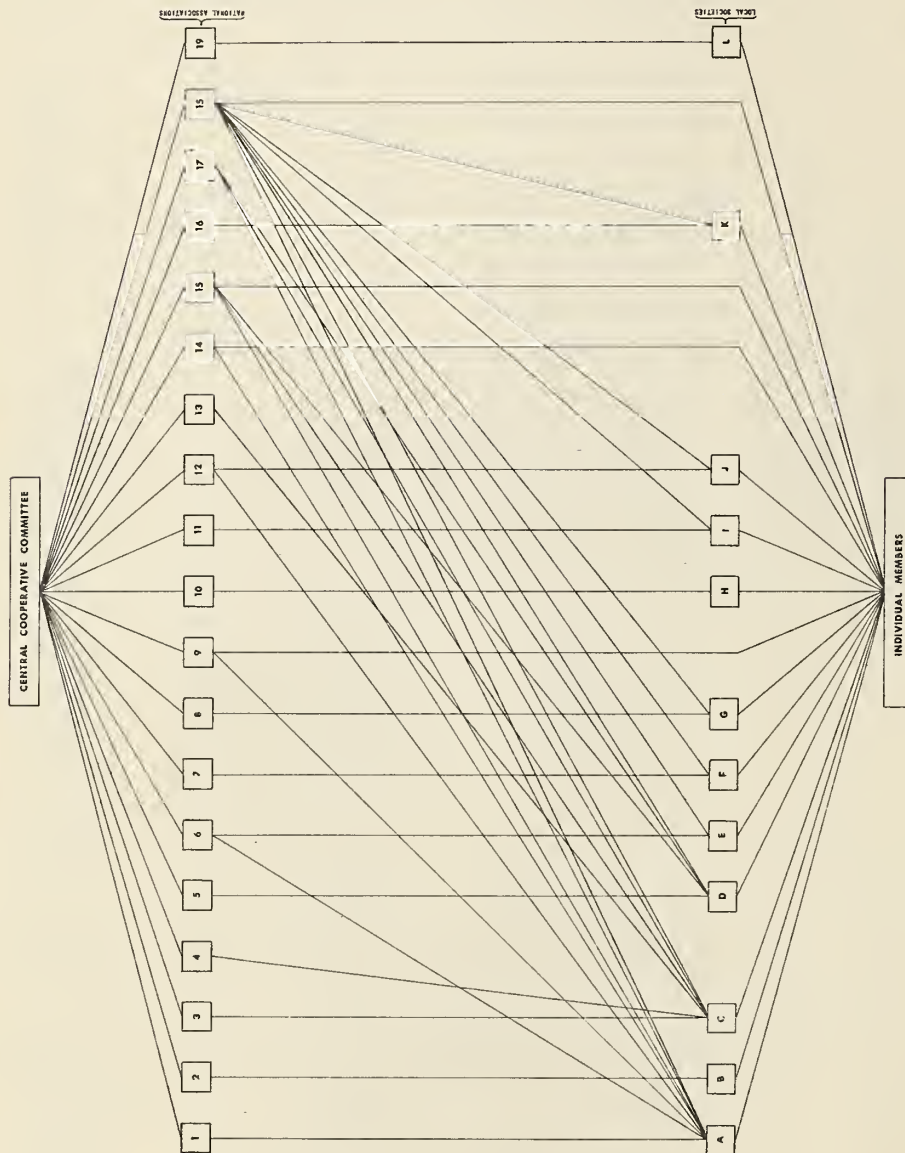


FIGURE 2
INTERRELATIONSHIPS OF DANISH COOPERATIVES



CENTRAL CO-OPERATIVE COMMITTEE

CENTRAL CO-OPERATIVE COMMITTEE

NATIONAL ASSOCIATIONS:

1. Co-operative Wholesale Society.
2. County of Ringkøbing Wholesale Society.
3. Federation of Dairy Associations.
4. Federation of Butter Export Associations.
5. Federation of Bacon Factories.
6. Egg Exports.
7. Cattle Exports.
8. Federation of Poultry Killing Stations.
9. Seed Supply Association.
10. Fruit Growers' Association.
11. Feeding-Stuffs Association.
12. Fertilizer Association.
13. Danish Deiries' Joint Purchasing Agency and Engineering Works.
14. Cement Factory.
15. Coal Supply.
16. Insurance Societies.
17. Sanatorium Association.
18. Bank.
19. Village Banks.

LOCAL SOCIETIES:

- A. Distributive societies.
- B. Distributive societies.
- C. Deiries.
- D. Bacon factories.
- E. Egg-collecting societies.
- F. Cattle export societies.
- G. Poultry killing stations.
- H. Fruit growers' societies.
- I. Feeding-stuffs societies.
- J. Fertilizer societies.
- K. Insurance societies.
- L. Village banks.

INDIVIDUAL MEMBERS

Usually settlements to growers for products marketed are on a pool basis. Each member's products are graded and placed in the appropriate pool. Advances are made on the products delivered. However, final settlement is not made until the pools are closed. Some pools extend over the entire year.

The cooperatives are owned by the member-patrons. Each year, after amortization and reserve funds are set aside, the remaining earnings are distributed on a patronage basis. At the end of each contract period the net worth of the cooperative is appraised. Each member is assigned his share of the net worth in proportion to his patronage during the preceding period. Should a member withdraw he is paid a portion, but not all, of his equity allotment.

DANISH COOPERATIVES AND THE GOVERNMENT

Danish cooperatives have developed "on their own" so far as government assistance is concerned. However, they exert a powerful influence on and are of great service to the government. The cooperatives assist in government programs through their connection with the Agricultural Council (Landbrugsraadet).

AGRICULTURAL PRODUCER AND CONSUMER COOPERATIVES

There is just one brand of cooperation in Denmark. That is, there are not the sharp divisions between the various segments that are found in many countries. Thus, the agricultural and consumer cooperatives are part of the same program and part of the same organizational structure.

The local consumer cooperatives are located largely in the rural areas. Thus their membership and the membership of the agricultural cooperatives overlap. This common membership has developed common understanding and excellent cooperation.

As part of this cooperation, the local consumer societies distribute many agricultural items. Also, the consumer societies assemble some items for the agricultural federations. For example, the fertilizer cooperative distributes part of



The Liberty Obelisk, in Copenhagen, was built in 1795 in honor of King Christian VII. Just back of it is Axelborg, the Farmers' House, headquarters of the Agricultural Council, the Cooperative Bank, and many other Danish agricultural and cooperative organizations.

its supplies through the local consumer societies. In like manner, these societies sell seed for the seed supply association. Also the local consumer cooperatives collect eggs for the egg cooperatives (figure 2).

This cooperation between the consumer and the agricultural producer cooperatives extends into the federations. The cooperative wholesale societies, along with the agricultural federations of cooperatives, are members of the Federation of Danish Cooperative Societies. Through the federation and the Central Cooperative Committee both groups tie into the Agricultural Council (figure 1).

The two groups also have joint business programs. The farm machinery cooperative, jointly owned by the Danish Cooperative Wholesale Society (FDB), has established a seed sales department.

EARLY BEGINNINGS OF COOPERATION

The early agricultural history of Denmark is typical of most European countries. From antiquity, Danish farmers have practiced economic cooperation. In the Middle Ages, a certain feeling of fellowship developed in the individual villages. The enclosed fields around the village, even when apportioned in strips to the various farms, required uniform and simultaneous working by all the farmers, and joint use was still more necessary for the commons lying outside the cultivated fields.¹ Livestock was grazed on common land. Even the government of the villages was cooperative. The roads, the village street, the pond, even the village bull and boar, were common property under joint management. But almost all peasants suffered under the system as land was controlled by the big estates.

Agricultural reforms came toward the end of the eighteenth century. The land was apportioned to individual peasants who, with their families, moved out of the villages and lived on their own farms.

Individual ownership created problems. Farmers raised the most profitable cash crops--especially grain--until the soil began to lose its fertility. Fortunately grain prices dropped because cheap grain from the Western Hemisphere was imported during the 1870's. Denmark then turned to dairying, importing feed for livestock from the new world.

This change from grain-growing to dairying gave farmers a new need for cooperatives. Until this time farmers had paid their rents, taxes, wages, and other expenses with farm produce--bacon, butter, grain--or in work performed. Payment in cash now replaced payment in kind. Farmers needed money to pay their bills. Private lenders took advantage of their need. This led to a predicament common to almost all of Europe.

¹Knudsen, A. F. Landbrugets Organisationer. Landbrugsudstillingen, Copenhagen, 1938. 144 pp.

FIRST COOPERATIVES

The first credit cooperative in Denmark was established in 1851, the first producer cooperative--a dairy--in 1863, and the first purchasing cooperative in 1866. For some years cooperative progress was slow, but rather steady. Comparatively little opposition was encountered through this early period. The cooperatives offered a new and much needed program in a field where others were not already operating.

Cooperation kept pace with the advances made in animal industry. Improved feeding methods, care in handling products, mechanical devices, increased production, and standardization led to new sales and export market organizations. Thus, the production of butter, bacon and eggs, and later cheese, became important. This came about partly through the rising importance of the export market. With modern transportation and the development of refrigeration, more and more products could be sent abroad. But the difficulties of marketing small quantities of unknown quality and unrecognized origin made it impossible to realize full values from these exports. So it was logical to combine in a central marketing program the varied interests of the different organizations (table 1).

Table 1. - Date of organization and membership of the national cooperative federations and percentage of the total product handled by these cooperatives, 1950

Commodity group	Federation formed	Associations and societies	Individual members	Percentage of product handled
A. Consumer associations:				
The Danish Cooperative Wholesale Society-----	1896	¹ 1,901	¹ 433,400	
Ringkøbing County Cooperative Wholesale Society-----	1886	83	13,200	
Total group A-----		1,984	446,600	
B. Producer associations:				
I Agricultural Production and Selling:				
Dairies-----	1912	1,309	180,000	91
Butter export associations-----		9	765	50
Bacon factories-----	1897	61	201,300	90
Bacon factories' special activities-----		14		
Bacon factories' egg export-----		7		
Danish farmers' cooperative egg export-----	1895	1,005	58,000	33
Cattle export societies-----	1916	20	40,624	37
Danish farmers' cattle sale-----	1933	37	86,100	
Poultry slaughterhouses-----	1932	4	85,671	45
Seed growers' society-----	1906	1	6,669	40-45
Fruit marketing societies-----	1945	9	971	
Total group B I-----		2,476	660,100	
II Agricultural purchasing associations:				
Feeding-stuff societies-----	1898	1,684	100,000	54
Fertilizer society-----	1901	1,656	85,000	39
Dairy-machine society-----	1901	1	1,736	
Cement factory-----	1911	1	1,384	
Danish co-operative coal import-----	1915	1	1,314	
Funens coal purchase society-----	1914	1	261	
Total group B II-----		3,344	104,695	
Total group B-----		5,820	764,795	
C. Other cooperatives:				
Life Insurance 'Tryg'-----		1	229,900	
Accident Insurance (M.L.U.)-----		1	227,000	
Accident Insurance ('Parish Councils')-----		1	24,000	
Annuity Society-----		1	6,100	
Insurance Society 'Fællesvirke'-----		1		
Sanatorium Association-----		1	361,000	
Total group C-----		6	848,000	
GRAND TOTAL		7,810	2,059,395	

¹Thirty-three of these societies and 8,800 individual members are also members of the Ringkøbing County Cooperative Wholesale Society.

DAIRY COOPERATIVES

As early as 1952 the Royal Agricultural Society issued a circular recommending that farmers collect their milk at one collection point where butter could be made in sufficient quantities for export. The first of the "joint" dairies of this type was founded at Marslev, near Odense, in 1863. Others were started in the 1860's but were not successful. In 1879, however, L. C. Nielsen invented the first workable mechanical cream separator. This changed the picture. Dairies on large estates purchased separators and began to buy milk from neighboring farms for processing. Some farmers combined to form joint-stock dairies. Again, because of the poor quality of milk delivered, results were unsatisfactory.

The solution was found by the farmers themselves. They built and operated a dairy together, sharing the returns on the basis of the quantity of milk supplied by each. The first cooperative dairy of this type was started in 1875 in Fünen, but it remained unknown for many years. The Hjedding dairy, built in 1882, is generally recognized as the first dairy cooperative in Denmark. The movement spread rapidly over the country. Between 1882 and 1888, 489 cooperative dairies were started in Denmark.

The production and quality of dairy products rose rapidly with the new organizations and their emphasis on exports. Many other cooperatives were formed. The introduction of margarine into Denmark about this time also encouraged making butter for export.

Lur Brand. - Farmers soon realized that a distinguishing brand or mark on their butter for export would benefit them. In 1900 the dairy associations appointed a committee called the Danish Butter Mark Society. This group decided on the Lur Brand as their trade-mark. Lur was the Danish name for a Bronze Age war trumpet. By 1906 all but 15 of the 1,328 Danish dairies had joined the society. The societies' trade-mark was registered in England and in Germany.

The idea of a trade-mark was popular, not only with the Danish farmers but with the foreign-trade markets. In 1906 a law was passed making it compulsory for all butter produced for export from pasteurized milk to be so marked. Many other requirements were added before butter could carry the trade-mark. Thus, this system contributed greatly to the standardization and high quality of Danish butter.

For some time after butter became one of the important export products, there was no definite system for exporting it. Creameries sold through one of three types of butter traders--a cooperative butter export association, English wholesale houses with representatives in Denmark, or Danish butter merchants supplying home and export trade.

An attempt was made by cooperative creameries to consolidate the sale of butter in one export agency in 1889. It failed in 1908. However, there was a growing dissatisfaction among the farmers who suspected that the the buyers' criticisms were merely an excuse for low prices.

FEDERATED DANISH COOPERATIVE BUTTER EXPORT ASSOCIATION
(DE SAMVIRKENDE DANSKE ANDELS-SMØREKSPORTFORENINGER)

The first successful butter export society was started in 1895. By 1922 there were 11 societies scattered throughout the country. These associations had a combined membership of 546 creameries. These societies formed a national organization known as the Federation of Danish Cooperative Butter Export Associations. This federation has done much to improve the quality and standards of Danish butter. In 1950, the cooperatives handled 50 percent of the total butter exports.

One of the early objections to cooperative dairy plants was that milk from many herds was mixed. Some of these herds might have unhealthy cows. This was a real threat to the cooperative system. However, it was averted by success in combatting tuberculosis and by the introduction of pasteurization. In 1898 a law was passed prohibiting unpasteurized skim milk or buttermilk to be delivered to farmers to go back to the farms. By 1923, 86 percent of Denmark's milk was delivered to and pasteurized in cooperative dairy plants.

FEDERATION OF DANISH DAIRY ASSOCIATIONS
(DE DANSKE MEJERIFORENINGERS FAELLESORGANISATION)

In 1899 dairy cooperatives formed three provincial unions. These dairies worked through a committee of three chairmen. This committee was reorganized in 1912 into the Federation of Danish Dairy Societies (De Danske Mejeriforeningers Faellesorganisation). Membership was granted to those unions or persons having a production of not less than 55 million pounds of milk per year.

In 1950 there were 1,560 dairy plants in the country, of which 1,309 or 84 percent were cooperatives. These cooperatives handled 91 percent of all the milk delivered by farmers to dairy plants. The annual average milk per dairy plant was 79 million pounds. All the cooperatives and about half the other dairy plants are members of the Federation of Danish Dairy Associations. The federation thus represents 97 percent of all milk produced.

Business of the Federation is conducted through an executive board of 9 members, 5 from Jutland and 4 from the islands.

All business matters are taken care of by special sales committees, as Danish Dairies Butter Export Committee and Danish Dairies Cheese Export Committee.

BACON FACTORIES

From their cooperative dairies, farmers received back large quantities of skim milk, buttermilk, and whey. This supplied inexpensive pig feed. This cheap feed led to an increase in pig production. In 1887 the first cooperative bacon factory was started at Horsens in Jutland.



The Haslev Cooperative Bacon Factory, Zealand, one of 61 cooperative bacon factories, handles more than 90 percent of the Danish pig production and bacon exports.

Development of the dairy cooperatives while slow did not encounter strenuous opposition. The bacon factories, however, met opposition on all sides. Increased tariffs against live pigs sent to Germany and other bans had forced pigs formerly exported alive to be sent to slaughterhouses. Numerous non-cooperative slaughterhouses were in operation. Inefficiency and uncertain marketing conditions around these plants awakened interest in cooperative slaughterhouses.

DEVELOPMENT PERIOD

Financing was difficult to obtain. Also, other obstacles had to be met. By 1890 there were 10 bacon cooperatives with 15,648 members. In 1897 there were 24 factories. In 1950 the number had increased to 61 with 201,300 members. In that year, these factories slaughtered 3,717,013 head. Contrary to many of the first dairy plants, the early bacon factories did their own marketing. In the case of exports this was through an agency. In 1902, the cooperatives set up their own sales agency in London. This was the Danish Bacon Company. In 1950, the cooperatives killed 89.6 percent of the pigs intended for export.

As in butter, steps toward standardization were greatly facilitated by the introduction of brand marks for all bacon intended for export. The law for registering and marking pigs went into effect in 1908 and since then all pigs slaughtered must be examined by veterinarians appointed by the Ministry of Agriculture.

Canning and byproducts have also come in for their share of attention from the cooperatives. Three canneries, a fat refinery, nine meat and bone meal factories, and special factories for processing blood and other byproducts are now operated by the cooperative bacon factories. Some of the factories also collect and export eggs.

FEDERATION OF DANISH COOPERATIVE BACON FACTORIES

The national Federation of Danish Cooperative Bacon Factories (De samvirkende Danske Andelsslagterier) was formed in 1897. It was preceded by an earlier federation called Cooperative Bacon Factories (Andelsslagteriernes Faelleskontor). It promotes trade cooperation and handles matters of joint interest such as legislation, transportation and sales conditions, and breeding and production.

The Federation is not engaged in business operations directly. But it has close working relations with the Export Bacon Factories Sales Organization. This organization is composed of both cooperative and non-cooperative bacon factories. It handles trade negotiations, sales, and all other business matters in connection with bacon and byproducts.

DANISH FARMERS' COOPERATIVE EGG EXPORT ASSOCIATION (DANSK ANDELS AEG-EXPORT)

The Egg Export Association has never reached the dominant position of the cooperative dairies and the bacon factories. However, it is important. The export of Danish eggs began as far back as 1865 when the first direct steamship communication with England was established. There was a rapid rise in the egg export trade for about 20 years. Then it began to drop off. The English dealers complained about the quality of the eggs.

The Royal Agricultural Society undertook to improve handling practices and quality. In 1889 it helped to organize local societies which required members to deliver their eggs weekly. Attempts also were made to form provincial or nation-wide societies along this line. But the plans did not receive enough support. First, eggs in Denmark are produced by small producers. Such small units are difficult to handle and control. Also eggs can be marketed easily and with less capital than can milk or bacon. So the producers often market their eggs independently.

It soon became apparent that the many small producers could not be depended upon to deliver quality eggs. The cooperatives must do the collecting as well as grading and exporting. It was also found necessary to use some means of control. So a system of marking was proposed. A numbering system was devised which makes it possible to trace the producer of poor eggs and to penalize him through his egg cooperative. Based on such systematized handling, the Danish Cooperative Egg Export Association was formed in 1895.

The cooperative started with 24 branches and less than 3,000 members. By 1950, it had 1,005 locals and a total of 58,000 producer-members. On joining the society, members commit themselves to deliver eggs for a year at a time, and to accept joint liability.

After collecting, eggs go to the packing stations. There are 29 of these stations. Here the eggs are sorted and graded, candled, and packed. Some are stored. Eggs are exported cooperatively--both by the Egg Export Association and by seven of the bacon factories. The total business of

both equals 32 percent of the total Danish egg exports. About 33 percent of all Danish eggs are handled by cooperatives.

The association's work cannot be fully evaluated, however, by the percentage of exports handled through its plants. The system of producer identification not only helped to restore confidence in eggs produced in Denmark, but was copied by producers in other countries. Also the society's work is not limited to marketing. It encourages improved breeding, better feeding, and better general management of poultry. In 1914 this sort of extension service, as it is known in this country, was taken over by a joint committee appointed by leading agricultural societies and supported by the Ministry of Agriculture.

The Poultry Extension Service was reorganized in 1948. It is now administered and financed through a national committee of 9 members. The members are appointed by the agricultural organizations, the poultry breeders associations, and the private and cooperative egg exporters.

FEDERATION OF COOPERATIVE POULTRY-KILLING STATIONS

Up to 1932, Danish imports of dressed poultry exceeded exports. Since then poultry production has increased to such an extent that dressed poultry is now exported.

The first cooperative poultry dressing plant was established at Svendberg (Funen) in 1932. In 1950, there were four such stations, with 86,000 members. These plants handle about 45 percent of the dressed poultry. The societies are affiliated in a national federation, De samvirkende danske Andels-Fjerakraeslagterier.

CATTLE EXPORT SOCIETIES

FEDERATION OF DANISH COOPERATIVE CATTLE EXPORT ASSOCIATIONS (DE SAMVIRKENDE DANSKE ANDELSKREATUREKSPORTFORENINGER)

Cooperative cattle marketing in Denmark started in 1898. It began with a cooperative to export livestock to Germany and meat to Great Britain. It was an informal type of cooperative and members were under no obligation to deliver their products. It did, however, insure stock in transit.

Cattle exports increased greatly during the first World War. In 1916 the local cooperatives formed the Federation of Danish Cooperative Cattle Export Associations.

DANISH FARMERS' CATTLE SALES ASSOCIATION (DANSKE LANDBRUGERES KREATURSALGSFORENING)

In 1933 another export society was organized, the Danish Meat Supply Society. Its name was later changed to Danish Farmers' Cattle Sales Association.

The two organizations cooperate in their programs and are both members of the Central Cooperative Committee. In 1950, the 20 societies that were members of the Federation had 40,624 members. The Cattle Sales Association had 37 locals with 86,100 members. Thus, the two organizations together had a membership of about 127,000. About 37 percent of all Danish exports of cattle are made through these organizations.

THE DANISH CATTLE AND BEEF EXPORT ORGANIZATION (LANDBRUGETS KVAEG - OG KØDSALG OXCO)

However, in 1950, a joint sales organization of both cooperative and noncooperative trade was set up. This organization is now the regulating factor in marketing cattle and beef products, and has been established to assure farmers reasonable prices for their products. Members of the organization are the leading agricultural and cooperative organizations and the Federation of Private Cattle and Beef Exporters.

The cooperatives have worked on long-time improvement as well as current marketing problems. For instance, by 1949, tuberculosis had been eliminated from 99.8 percent of the herds. This resulted from a joint undertaking by the farmers and the Government. Other diseases are now being attacked with the same vigor.

COOPERATIVE FEEDING-STUFF SOCIETIES

During the period 1871 to 1900, following the sudden drop in grain prices, Denmark ceased to be an exporter of grain and became an importing country. During the same period imports of oil cakes, corn (maize), and bran increased. Farmers lost confidence in the products offered by the local dealers. Laboratory examinations revealed weed seeds and other noxious material. A general law was passed but it had many loopholes. In 1896 a number of private importers at Aarhus combined into a closely knit organization.

After a long series of meetings, the Jutland Cooperative Society for the Purchase of Feeding Stuffs (Judsk Andels-Foderstofforretning) was set up in 1898. It was not easy at first to procure capital and to meet other obstacles. However, several other associations were soon founded. Among them were the Islands' Cooperative Association for the Purchase of Feeding Stuffs (Øernes Andelsselskab for Indkøb af Foderstoffer),



The storehouse and factory of the Jutland Cooperative Society for the purchase and feedstuffs, in Esbjerg, with branches and storehouses in 15 towns in Jutland, imports and distributes more than 50 percent of the feed used in Denmark.

the Lolland-Falster Cooperative Feeding-Stuffs Association (Lolland-Falsters Andels-Foderstofforretning), and the Funen Cooperative Feeding-Stuffs Association (Fyns Andels-Foderstoff-Forretning).

Under these district associations, branches are formed with individual members as shareholders. The members are obligated to buy from the association over a period of years. They also subscribe guaranteed capital according to the size of their herds.

The one serving Jutland is the largest and imports about one-third of the feed brought into the country. All the district cooperatives combined import about one-half of the Nation's total imports of feed. The 1,684 locals had a combined membership of 100,000 in 1950.

DANISH COOPERATIVE FERTILIZER ASSOCIATION (DANSK ANDELS GODNINGSFORRETNING)

This cooperative was organized in 1901 as a protest against a combination of commercial interests in what amounted to a fertilizer trust. The use of chemical fertilizers increased rapidly with the increased fodder production during the 1880's. The cooperative was started by 22 purchasing societies. Members are under contract to make their purchases through the association for as long as 10 years and they accept joint liability within set limits.

This association now has 1,656 locals with about 85,000 individual members and delivers nearly 40 percent of the fertilizers used in Denmark. As it has no factories, fertilizers are imported from abroad or bought from Danish manufacturers (as superphosphate). So this cooperative is in a dual position of customer and competitor of the non-cooperative fertilizer trade. However, it maintains friendly relations with its competitors.

DANISH FARMERS' COOPERATIVE MACHINERY PURCHASE SOCIETY (DANSK LANDSBRUGS ANDELS-MASKININDKØB)

In 1947, this new society was formed to purchase or produce farm machinery and implements. Both the cooperative wholesale society (FDB.) and the farmers' organizations are interested in and support the machinery cooperative. It is jointly owned by 12 major cooperatives (including F.D.B. the consumers' cooperative wholesale) and agricultural societies. Large quantities of farm machinery are bought outside Denmark. Substantial portions come from the United States. The farm machinery cooperative makes these purchases for its 12 member organizations. The machinery is distributed locally by the local societies which are members of the 12 regionals that make up the membership of the farm machinery cooperative.

The problem of using the same tractors and other machinery on a number of small farms has been partially solved through cooperative machine stations. The members pay a general fee and in addition pay for the work they have done. The cooperative uses all savings made for maintenance and additional purchases of equipment. There are now 35 cooperative



The Cooperative Wholesale Society's seed department, in Glostrup, near Copenhagen, in cooperation with Danish Farmers Seed Supply Association, delivers more than 40 percent of all grass, clover, and vegetable seed used in Denmark.

farm machinery stations associated in the National Association of Cooperative Machine Stations. This, however, represents only a fraction of the existing cooperative use of machinery in Danish agriculture.

DANISH FARMERS' COOPERATIVE SEED SUPPLY ASSOCIATION (DANSKE LANDBOFORENINGERS FRØFORSYNING)

This association was formed in 1906. Its purpose is to promote seed growing and to improve strains for both domestic and export markets. The seed association operates the largest such business in Scandinavia. Seed grown on about 35,000 acres was handled through the association in 1949-50. The total area used for seed growing in Denmark in 1949 was about 125,000 acres and in 1950 about 150,000 acres--both exclusive of areas in mustard and rape seed for oil production. The cooperative's objectives are two-fold--to supply good seed for domestic crops and to provide a profitable and ready market for seed.

The Cooperative Seed Supply Association, the Cooperative Wholesale Society, and the Farmer and Smallholder Associations work jointly on this program. Together they decide each year upon fair average prices. The seed is produced by members of the Seed Supply Association. Seed sales in Denmark are handled through the stores of members of the Cooperative Wholesale Society. The Wholesale Society has set up a seed department to handle this business. Export sales are made by the Seed Supply Association.

The breeding and improvement of seed is undertaken by the Wholesale Society and the Seed Supply Association jointly at special experimental farms. In 1950 the association had 135 local agricultural societies affiliated with it. Members of these cooperatives cultivated about 25 percent of the country's seed acreage.

DANISH FRUIT GROWERS' COOPERATIVE ASSOCIATION, (DANMARKS SAMVIRKENDE FRUGTSALGFORENINGER)

This association was founded in 1945. The fruit growers' federation includes 10 societies and approximately 1,000 grower-members. The federation serves its members in much the same manner as other cooperatives. It makes both domestic and export sales. It is not so dominant in its field as many other Danish cooperatives.

DANISH DAIRIES JOINT PURCHASING AGENCY AND ENGINEERING WORKS (DE DANSKE MEJERIERS FAELLESINDKOB OG MASKINFABRIK)

To provide the modern equipment needed by the dairies and their affiliated groups, the purchase of machinery and some farm equipment was taken over by the cooperative dairies in 1901. The joint purchasing agency set up at that time was to provide the needed items.

In 1950 this agency had 1,736 members. Besides supplying the Danish dairies with up-to-date machinery, the engineering works have gradually developed a substantial export business.

DANISH COOPERATIVE CEMENT FACTORY (DANSK ANDELS CEMENTFABRIK)

This cooperative was established in 1911. It had a rough competitive battle. However, in 1913 the factory was set up and the consumer cooperative stores began to purchase from it. The Cooperative Wholesale Society had a contract with the non-cooperative trade for cement. Long litigation over this contract caused the factory to suspend operations for a time. However, its annual production is now some 900,000 casks. It is the only cooperative cement factory in Denmark.

DANISH COOPERATIVE COAL ASSOCIATION (DANSK ANDELS KULFORRENTNING) AND OTHERS

In 1913, the rising need for fuel led to the establishment of the Jutland Cooperative Coal Association. In 1914 the Funen Coal Purchasing Society was formed. In 1915, the Jutland Society extended its activities to Sealand. Thus, its name was changed to Danish Cooperative Coal Association. In 1950, the coal association supplied coal to a membership of some 1,600 business consumers--including dairies and bacon factories.

COOPERATIVE INSURANCE

A large part of Danish insurance is the mutual type. The main divisions of cooperative insurance are accident, life, and pensions.

DAIRY AND AGRICULTURAL ACCIDENT INSURANCE SOCIETY (MEJERIERNES OG LANDBRUGETS ULKKESFORSIKRING)

Cooperative insurance began in Denmark in 1898 with a cooperative accident insurance society for employees of dairies. Accident insurance was extended to all large farms by law in 1908. The existing cooperative widened its scope and changed its name to Dairy and Agricultural Accident Insurance Society. Several other insurance cooperatives were incorporated later.

OTHER COOPERATIVE INSURANCE

Cooperative life insurance is conducted by another society known as Tryg. The various cooperatives have also established a joint pension plan for retired and disabled cooperative employees and their dependents.

COOPERATIVE SOCIETIES' SANATORIUM ASSOCIATION (ANDELFORENINGERNES SANATORIEFORENING)

Among urban cooperatives in Denmark, as elsewhere, much of the early effort was toward social and benevolent objectives. In only one respect has the Danish agricultural cooperative movement undertaken such work. In 1905, two sanatoriums were established. One of them has since been taken over by the National Society for Combatting Tuberculosis. In 1933, the sanatorium association opened a sanatorium for rheumatic diseases.

COOPERATIVE CREDIT

The reluctance of private banks to accept credit risks of farmers' organizations led to a proposal that cooperatives establish banking facilities of their own. For some years after the idea was put forth by Jorgensen in 1895, conservative thinkers urged that the cooperatives merely bring pressure to bear on private banks. After the cooperatives came together in 1898-99 and established the Central Cooperative Committee, credit needs of cooperatives became a major program.

COOPERATIVE BANK, (ANDELSBANKEN)

The committee collected information from cooperatives and thus aroused opposition from private banking interests. Over this opposition The Danish Cooperative Bank (Den danske Andelsbank) was founded in 1909. Owing to the unsettled conditions in the money market it did not begin to function until 1914.

The main office was set up in Aarhus, in Jutland, but was later transferred to Copenhagen. Unwise management together with the current boom in trade circles caused the bank to close in 1925. It was able to pay its creditors over 90 percent.

In the same year The Danish Cooperative Bank closed, the Danish Cooperative and Peoples' Bank (Dansk Andels-og Folkebank) was established. The

societies were cautious in supporting it at first but its conservative policy won out. In 1932, new subscriptions were invited and the name was again made the Cooperative Bank (Andelsbanken). The capital was subscribed by over 1,700 cooperatives and about 25,000 individuals. Thus it has a broad representation among farmers and farm organizations. Its financing policies are conservation. In 1940, 60 percent of its loans were to cooperatives with joint liability.

In 1948 it was the fourth largest Danish trading bank. At that time, among its customers were over 3,000 cooperatives. Among these were 702 retail store cooperatives, 440 dairies, and 31 bacon factories. Thus the bank seems well on its way to the position of being able to finance the Danish cooperative movement.

NATIONAL UNION OF COOPERATIVE VILLAGE BANKS (FORENING AF DANSKE ANDELSKASSER)

At the same time the Cooperative Bank was being promoted by the Central Cooperative Committee, local cooperative banks were growing up in connection with local activities. The first village bank was set up in 1915. In 1950, there were about 70 of these banks. They are typical local financing institutions, or community banks. They accept deposits from and make loans to their members.

Fifty-four of these banks are federated in a national union. The union serves the local banks in an advisory capacity.

ROYAL DANISH AGRICULTURAL SOCIETY (DET KONGELIGE DANSKE LANDHUSHOLDNINGSSKAB)

The first farm credit association in Europe was started in Prussia in 1769, the same year that the Royal Danish Agricultural Society was founded. The Danish Society was organized by a group of liberal landlords, civil servants, merchants, and others. The program had the King's approval.

The original purpose of the Society was "to encourage by prices and prizes the agriculturist, the Artisan and the merchant." However, from the first it was concerned principally with agricultural matters. The Royal Society originally included both Denmark and Norway. However, in 1809 the Royal Society of Norway was formed. After the political separation of the two countries in 1814, the two societies were quite independent of each other.

The society has a two-fold purpose--it advises the nation on matters of rural economy and helps farmers to improve methods by recommending improved practices. It was the first to urge training for agricultural instructors, the use of paid agricultural advisors, and the publication of technical agricultural literature. Much of the pioneer work of the society was later taken over by other agencies. This included recording and analyzing weather data; experimental work in animal husbandry,

dairying, and plant culture; and work in agricultural accounting and statistics.

The local and national agricultural societies of the Federation of Danish Agricultural Societies and the Federation of Danish Smallholders Societies are entirely separate from the Royal Agricultural Society. However, they are historically related.

Although not an operating cooperative, the Royal Society took the initiative in organizing the first local cooperative in 1805--the Agricultural Society of Bornholm. At first so-called "dirt" farmers were not among the members of the Royal Society, but with the growth of the cooperative movement from 1840 its membership was broadened. A new constitution became effective June 5, 1849, and allowed farmers to be members. Improved communications then did much to promote such interests.

In 1872, the agricultural societies were permitted to elect half of the governing committee of the Royal Society. From 1919 to 1933, the Royal Society was a member of the Agricultural Council. The Society had 1,580 members in 1951. Individuals, institutions, or societies can be members. The functions of the Royal Agricultural Society have become rather limited in recent years. Its main duties are to publish agricultural literature for schools and farmers, to arrange training courses for agricultural teachers and advisors, to provide practical training for farm foremen (forvalters) and feeding masters, and to distribute awards and prizes to agricultural students and outstanding farmers. However, it had a pronounced influence on early Danish cooperatives.

THE AGRICULTURAL COUNCIL (LANDBRUGSRAADET)

This organization was founded in 1919² to represent Danish agriculture. It was formed by the Federation of Danish Agricultural Societies, the Federation of Danish Cooperative Societies, the Federation of Danish Smallholders Societies, and the Royal Agricultural Society. According to its bylaws, the Agricultural Council encourages cooperation among the various agricultural organizations and acts as agriculture's representative to the Government and in international relations. It is, for example, the Danish member of the International Federation of Agricultural Producers. Furthermore, by an agreement with the Government, the Council collaborates with and assists Danish Agricultural Attaches abroad in gathering information. It represents agriculture in relations with other Danish industries.

In 1933, however, the Royal Agricultural Society's participation in this organization ended, and in 1940 the Federation of Danish Smallholders Societies withdrew.

Today the Agricultural Council is managed by an 18-member board of directors. Eight of these directors are elected from the Federation of Danish Cooperative Societies and 10 from the Federation of Danish Agricultural Societies. These two are now the only participants of the Agricultural Council.

²Landøkonomisk Aarbog 1951.

In 1948, however, a degree of cooperation with the Federation of Danish Smallholders Societies was re-established by the creation of the Agricultural Production and Marketing Committee, consisting of two members from each of the two federations united in the Agricultural Council and two from the above-named Smallholders Federation. The secretariat of this committee is located in the Agricultural Council, and the Committee's aim is to carry out investigations of economic and political importance to Danish agricultural production, prices, and marketing.

THE FEDERATION OF DANISH AGRICULTURAL SOCIETIES (DE SAMVIRKENDE DANSKE LANDBOFORENINGER)

This cooperative was formed in 1893 and consists of five major Island groups (figure 1). The Association of Agricultural Societies in Jutland (Foreningen of Jydske Landboforeninger); a similar group on Sealand (De Samvirkende Sjallandske Landboforeninger); on Funen (De Samvirkende Fynske Landboforeninger); on Lolland-Falster (De Samvirkende Lolland-Falsterske Landboforeninger); and the Agricultural Society of Bornholm (Bornholms Landøkonomiske Forening).

To show how very complete this cooperative pattern can be, the Jutland Association consists of 95 agricultural societies with 93,000 individual members. Furthermore, the following participate: the Jutland and Belgian Horse Breeding Unions (203 societies with about 14,000 individual members), the Society for Breeding of Black and White Danish Dairy Cattle with 2,100 members, the Union of Pig Breeding Stations, the Danish Society for Sheep Breeding, 23 Committees on Livestock Breeding and Milk Recording, and finally 600 individual members. Under the leadership of the association special committees function on animal husbandry, plant culture, dairying, farm building, machinery, home economics, farm accounting and youth education. Through these committees a wide-ranging extension service is carried out by means of a great number of advisers employed partly by the association and partly by the participating committees and societies.

The main objective of such societies is to further agricultural and technical development for the advantage of the social and rural economy. In many respects they combine both farm organization and extension work. They maintain agricultural and home economics advisors and aid farmers in improving their crops and livestock. Practically all such advisory work is done by the agricultural organizations. The exception is the State appointed agricultural attaches and advisors. There were only 11 of these advisors in 1949. The Federation of Danish Agricultural Societies received government support in the fiscal year 1950-51 amounting to 71,000 kroner, (\$10,288)³ exclusive of grants to the advisory service.

THE FEDERATION OF DANISH SMALLHOLDERS' SOCIETIES (DE SAMVIRKENDE DANSKE HUSMANDSFORENINGER)

This federation was founded in 1910, and functions parallel with the Federation of Danish Agricultural Societies. It was formed especially

³Converted on the basis of 14.49 cents per Danish kroner.

to help small farmers. It has played an important role in the land settlement legislation in Denmark, in the same way as the Federation of Danish Agricultural Societies. It offers, through the provincial associations, help and guidance in animal husbandry, plant culture, horticulture, poultry keeping, apiculture, accountancy, home economics, and youth education. It is also similar to the F.D.A.S. in that its provincial associations work with the local societies. The local societies are usually formed on a parish basis. This federation receives government support. In the fiscal year 1950-51 this support amounted to 98,000 kroner (\$14,200) exclusive of government grants to the advisory service.

As previously stated, until 1940 F.D.S.S. was represented in the Agricultural Council. Since 1948, a certain cooperation with the other groups has been re-established through the Agricultural Production and Marketing Committee (figure 1).

THE LARGE FARM-OWNERS' ASSOCIATION (CENTRALFORENINGEN AF TOLVMANDSFØRENINGER OG SØRRE LANDBRUGERE I DANMARK)

This association was founded in 1923. It consists now of 70 single unions with 1,500 individual members. The aim of this organization is to take care of its members' interests. It collaborates with other agricultural institutions and organizations, but is not represented in the Agricultural Council.

CENTRAL COOPERATIVE COMMITTEE--CCC (ANDELSUDVALGET)

To protect their common interests and to strengthen the cooperative movement, a central organization was formed to coordinate the efforts of the various cooperative groups. It is known as the Central Cooperative Committee (Andelsudvalget) in short CCC.

The Central Cooperative Committee was set up in 1899. It was composed of representatives of the most important agricultural and purchasing cooperatives. In 1917 further coordination was brought about by the formation of the Federation of Danish Cooperative Societies. This organization gave the various societies more direct influence. The Central Cooperative Committee became the executive body of this federation. The Federation of Danish Cooperative Societies handles joint problems common to all societies and not problems of individual member societies (figure 1).

The Central Committee does not interfere with the work of the individual societies but confines itself strictly to joint problems of the societies represented. In addition, the Committee acts as joint representative of the cooperative movement in appointing members to a number of government committees and councils and to the Agricultural Council (Landbrugsraadet). The CCC also functions as the representative of the Danish cooperative movement in the International Cooperative Alliance.

THE FEDERATION OF DANISH COOPERATIVE SOCIETIES (DE SAMVIRKENDE DANSKE ANDELSSELSKABER FDGS)

The Federation consists of three main groups:

- Consumer cooperatives (Forbrugerandelsselskaber)
- Producer cooperatives (Producentandelsselskaber)
- Other cooperatives, as for insurance, etc.

The 2,000 consumer (or distribution) cooperatives handle about 10 percent of the retail trade of the nation. Unlike most consumer cooperatives, these retail groups are located principally in the rural districts. Many societies operate a single store. There are now more than 150 consumer cooperatives in the cities. These are closely associated with the labor unions. Leadership is by the urban membership. However, the rural influence dominates the policies of the Federation. Thus the consumer cooperative movement in Denmark is closely interlocked with the producer cooperatives.

Of the producer cooperatives, the most important according to commodity are the cooperative dairies; the slaughterhouses or bacon factories; the egg export societies; the cattle export associations; the poultry dressing establishments; the seed growers; and the fruit growers.

Other cooperatives include various insurance companies for life, accident, pension, and retirement purposes; sanatoriums, banks, farm machinery ownership; and other services.

The Federation of Danish Cooperative Societies includes the following associations, as shown in figure 1.

- Cooperative Wholesale Society
- Ringkøbing County Wholesale Society
- Federation of Danish Dairy Associations
- Federated Danish Cooperative Butter Export Association
- Federation of Danish Cooperative Bacon Factories
- Danish Farmers' Cooperative Egg Export Association
- Federation of Danish Cooperative Cattle Export Association
- Danish Farmers' Cattle Sales Association
- Federation of Cooperative Poultry Killing Stations
- Danish Cooperative Seed Supply Association
- Danish Fruit Farmers' Cooperative Association
- Cooperative Feeding-Stuff Societies
- Danish Cooperative Fertilizer Association
- Danish Dairies Joint Purchasing Agency and Engineering Works
- Danish Cooperative Cement Factory
- Danish Cooperative Coal Associations
- Danish Dairy and Agricultural Accident Insurance Society
- Cooperative Societies Sanatorium Association
- Cooperative Bank
- National Union of Cooperative Village Banks

SWEDEN

Agricultural cooperatives in Sweden grew out of the county agricultural society programs. The first of these were formed early in the eighteenth century.

These societies, organized to improve agriculture, soon found that many of Sweden's farm problems were economic. One of these was how to secure supplies at reasonable prices. Clover seed came from Holland and Belgium, rye from Finland, breeding stock from Great Britain, and machinery from home and abroad. The societies found the answer in cooperation.

The Lagunda-Hagunda Supply Company was the first cooperative supply association. It was organized in 1849 and was a direct outgrowth of the county agricultural society.

There have been two main stages in the development of agricultural cooperation in Sweden--one at the end of the 19th century and one in the early 1930's. Toward the end of the 19th century Swedish agriculture was expanding rapidly. This growth was encouraged by the importation of grain and the resulting increased production of milk and butter, pigs and poultry. Better methods of farming were also responsible for this increase. These improved methods were possible through the change from the village economy to that of enclosed farms. Also, the educational programs of the county agricultural societies were important.

With the surplus of meat and dairy products came new marketing problems. A special problem was the need for standardizing products sold in distant markets.

Butter was one of the surplus products for export. Thus the idea of cooperative creameries came as an early step. Cooperative dairies, as they were called, were already started in Denmark. The first cooperative dairy in Sweden was set up in the 1880's. Others soon followed, mainly in south Sweden. The major objective was to make butter for export.

Bacon factories were next. The first of these was opened in 1899 by a group at Halmstad. Local associations for collecting and selling eggs also came with the 1880's and in 1906 larger groups were formed for quality control and sale. Along with dairies and bacon factories came increased cooperative purchases of feed, fertilizer, and other farm supplies. These farm supply cooperatives formed the first national union in 1905. This federation is the Swedish Farmers' Purchasing and Selling Association (SLR).

OBJECTIVES AND PRACTICES OF AGRICULTURAL COOPERATIVES

Farmers in Sweden formed cooperatives to improve their economic position. However, their cooperatives also have a social and cultural significance in country districts. Membership in cooperatives is open to any farmer who wishes to sell or purchase through them. The cooperatives are

obliged to accept all produce delivered by members. In turn, farmers agree to sell all their produce through the cooperative.

To become a member a farmer pays a fee. This fee varies with each organization. In general, fees are based on the amount of produce delivered by the farmer, or on his area of tilled soil and forest land. This amount is usually paid through annual deductions. A member may be refunded this contribution when he retires from farming or leaves the organization for some acceptable reason. Patronage returns are made annually on the basis of the business done by the member. Taxes are heavy on unrefunded money. Thus the cooperatives usually refund heavily and then request subscriptions of capital from the members.

The 12 national organizations pay annual subscriptions and executive fees to the central federation (SL). The contributions of the organizations are paid in relation to the annual business turnover of each. The capital thus built up is used as a fund for investment in enterprises which are important to agriculture in general. Up to 1949 small sums had been so used for the construction of a chemical plant and to finance a woolen-textile factory.

FEDERATIONS OF COOPERATIVES

The local associations are organized largely along commodity lines. Each cooperative handles one principal product. Local associations of the same type are combined into regional and national federations. The latter hold membership in the central Federation of Swedish Farmers' Associations--the top organization of the cooperative system.

One of the important features in the upsurge of farmer cooperation in the early 1930's was the formation of national associations or unions for milk and dairy products, meat, eggs, and forest products. The local and regional cooperatives joined the appropriate national organizations and formed federations. The chief function of the national federations is to regulate supplies throughout the country and to minimize competition among the local and regional cooperatives. The first of the major cooperative federations was set up in 1905. It was the Purchasing and Selling Association (SLR). The distillers, fur breeders, starch producers, and bank credit associations followed in 1907, 1926, 1927, and 1930, respectively.

The Swedish Dairies Association was formed in 1932 and the Swedish Union of Meat Marketing Associations in 1933. About the same time a reorganization of the General Agricultural Society of Sweden was undertaken, establishing it as the central body of the agricultural cooperative movement, with a new title, the Federation of Swedish Farmers' Associations--Sveriges Lantbruksförbund (SL).

FEDERATION OF SWEDISH FARMERS' ASSOCIATIONS (SVERIGES LÄNDBRUKSFÖRBUND)

The membership of the federation comprises 12 national organizations (figure 3). Of these branches, those concerned with dairy marketing and slaughterhouse or meat marketing activities are the largest, with 260,000 and 280,000 members respectively. The federation had at the end of 1950 a total of 1,092,658 members (table 2). This figure includes duplication as most farmers are members of more than one group. It is estimated that about 360,000 farmers hold membership in at least one cooperative. Of these, 260,000 farmers have farming as the principal source of income. Thus almost every farmer is a member of one or more cooperatives. In fact, the average is about 3 memberships per farmer. It is estimated that the marketing cooperatives affiliated with the Federation handled 90 percent of the total agricultural marketing in 1949.



Swedish Farmers' Purchasing and Selling Association (SLR) was the first of the National Federations. It handles about 65 percent of the food grains, 30 percent of the farm machinery, and also general farm supplies.

The activities of SL are divided into administrative departments and semi-independent companies (figure 3). The marketing department issues quotations in consultation with farm and trade organizations, provides surveys of domestic and foreign markets, and acts as an agency for placing vocational trainees on farms in Sweden and abroad. In addition SL is building an investment fund to be used for installing processing equipment in cooperative plants or in plants of other industries serving agriculture. The Economic Administration Department assists the affiliated services on studies and other measures to increase their operating efficiency. The number of employees in the principal cooperative business organizations in 1950 is shown in table 3.

THE ROYAL MORTGAGE BANK OF SWEDEN (SAH)

Credit is always a first need of farmers and in Sweden the first mortgage society was formed in 1836. This first central credit organization was formed in 1861. At present it has 10 branches which in 1950 had outstanding 61,473 loans averaging 11,000 kroner (\$2,126).⁴

Through these 10 regional land banks, SAH extends long-term loans on farm real estate. Maximum loans are 60 percent of the appraised value of the

⁴Converted on the basis of 19.33 cents current exchange value per kronor.

Table 2. - *Principal Swedish cooperative business federations, year organized, and producer membership 1938, 1943, 1949 and 1950*

Organization	Symbol	Year organized	Producer membership			
			1938	1943	1949	1950
<u>Federation of Swedish Farmers Associations:</u>	(SL)					
Mortgage Bank-----	(SAH)	1861	-	¹ 59,422	¹ 60,333	¹ 61,473
Purchasing and Selling Assn.--	(SLR)	1905	48,700	92,900	135,134	136,439
Distillers' Association-----	(SBI)	1907	1,900	1,900	1,748	1,745
Fur Breeders' Association-----	(SPR)	1926	1,100	1,200	1,210	1,145
Starch Producers' Ass'n-----	(SSF)	1927	2,600	2,800	2,841	2,841
Bank Credit Association-----	(SJK)	1930	101,200	115,300	136,883	141,616
Dairies Association-----	(SMR)	1932	178,000	214,000	255,957	259,899
Egg Marketing Association-----	(SA)	1932	31,800	41,400	69,999	71,377
Forest Owners Association-----	(SSR)	1932	21,800	70,000	108,200	112,473
Meat Marketing Association-----	(SS)	1933	219,400	266,500	275,665	279,976
Flax-Hemp Growers' Ass'n-----	(RLH)	1942	-	-	4,853	3,674
Oil Plant Growers' Ass'n-----	(SOC)	1943	-	-	10,111	20,000
Total-----			² 627,700	² 911,032	1,062,934	1,092,658
<u>Nonmembers of Federation:</u>						
Beet Growers' Association ² ----	(SBC)	1899	-	-	25,668	28,130
Elevator Association-----	(SSS)	1931	4,100	4,700	4,667	4,709
Gardening Association ² -----	(STR)	1939	-	18,000	-	-
Total-----			4,100	22,700	30,335	32,839
Grand total-----			632,800	933,732	1,093,269	1,125,497

¹Number of loans. (Number of members is about two-thirds of this figure.)

²Former member of Federation.

Source: Holstrom, Sven. *Institute for Agricultural Investigations (Stockholm)*. 20 p. Mimeographed report. Frostenson, George. *Foreign Service of the USA, Stockholm*, 806, January 30, 1951 and 479, December 14, 1951 (typewritten reports).

Table 3. - *Number of employees in principal cooperative business organizations in Sweden, 1950*¹

Type of association	Adminis- trative personnel	Foremen and workers	Retail stores	Total
Dairy-----	2,291	7,916	2,729	12,936
Meat marketing-----	1,270	4,988	2,075	8,333
Purchasing and selling-----	2,250	2,740	21	5,011
Egg marketing-----	136	532	1	669
Forest owners'-----	913	2,235	-	3,148
Flax-Hemp-----	48	690	-	738
Elevators-----	18	24	-	42
Distillers-----	3	532	-	535
Total-----	6,929	19,657	4,826	31,412

¹Includes national federations and subsidiaries.

Source: Frostenson, Georg. Foreign Service of the USA 479 Stockholm, December 14, 1951.

farm and run at a fixed interest rate for a period of 30 or 40 years, but a borrower can repay his loan after 10 years. Loans are made with or without amortization. Present interest rate is 3.5 percent. To this is added an annual administration charge of 0.1 percent of the original amount of the loan.

SAH finances its loan operations by issuing bonds on the security of farm real estate. It has monopoly right to this method of financing.

Since 1938, SAH has also provided secondary credit for the balance of the loan between 60 and 100 percent of the appraised farm value. Even though no mortgages exist on the farm, the farmer may avail himself of this type of credit.

Total volume of credit outstanding in the fall of 1951 was 775 million kronor (\$149,807,500). The number of borrowers was 61,500.

SWEDISH FARMERS' PURCHASING AND SELLING ASSOCIATION (SLR)

Founded in 1905 this association was the first of the national cooperative federations. It purchases farm supplies and sells vegetable products for its member associations. There were 136,439 producer members in 1950 in the 740 local societies and 23 centrals. More than 60 percent of the tilled land holdings of more than 5 hectares (12.4 acres) are operated by member for food purposes. Storage capacity comprises 80 granaries with space for 240,000 metric tons (529 million pounds) and about 500 other warehouses.

Most production requirements are provided by SLR, such as fertilizer, feed for livestock, grain and other seeds, chemical preparations, and oils. Its subsidiary, the Sloor Company, manufactures farm equipment. It distributes about 30 percent of the farm machinery in the country. This group also owns shares in the Swedish superphosphate factories.

SWEDISH DISTILLERS' ASSOCIATION (SBI)

This federation was founded in 1907. Its membership includes the 91 cooperative and farmstead distilleries. These are mainly located in the potato districts in Scania and Blekinge. In these plants potatoes are made into crude alcohol. Final production is in the state monopoly plants. Members of these groups in 1950 totaled 1,745.

SWEDISH FUR BREEDERS' ASSOCIATION (SPR)

This association was founded in 1926. It assembles and markets the pelts of such fur animals as silver and blue fox, mink, and nutria. Practically all the Swedish fur breeders are members of this group. The association had 1,145 members in 1950. It publishes a magazine for members.

SWEDISH STARCH PRODUCERS' ASSOCIATION (SSF)

This association was founded in 1927. Its membership is composed of 129 starch factories, all except two of the starch associations in the country. These factories had 2,841 members in 1950. The association is mainly for handling the trade in potato starch. However, it also purchases machinery for members.

SWEDISH FARMERS' BANK-CREDIT ASSOCIATION (SJK)

This organization was founded in 1930. In 1950 it had 141,616 members. It is composed of 10 central bank-credit societies grouping some 600 associated member societies in which the individual borrowers have membership. There has been a gradual decrease in number of the member societies because of consolidations. However, the membership has increased (table 2).

Through its 10 regional and 490 local credit associations, SJK supplies farmers with short and medium-term credit. Principal types of loans are mortgage loans, co-signer loans, personal loans on basis of promissory notes, and loans based on checking accounts. Mortgage loans can be terminated after 3 months' notice. Interest rates range between 3.5 and 5 percent depending upon the length of the loan period and the type of security.

Loans are financed principally by farmer deposits and to the extent needed--by credit from SJK which raises the necessary funds by loans from the money market.



About 98 percent of all milk sold in Sweden is handled by cooperative plants.

Total volume of credit outstanding in the fall of 1951 was 440 million kronor (\$85,052,000).

SWEDISH DAIRIES ASSOCIATION (SMR)

This association was founded in 1932. This was in the midst of the general agricultural depression. Its first long time objective was to raise the prices of dairy products to a level acceptable to farmers. The principal method of approach was to export enough to raise the price at home. Other reasons for organization were to reorganize the dairy marketing system--eliminate small plants through consolidation, modernize the remaining plants, and reduce duplication in hauling and delivery.

The organization had 259,899 members in 1950 in 19 dairy federations and 10 provincial dairy associations including some 640 dairies (table 2). They handled 3,679,000 metric tons (8,111 million pounds) of milk in 1949 (table 4).

Under the plan of operation, each local handles distribution in its own area. Surplus supplies are sent to the district association. The districts in turn pass on any remaining surplus to SMR.

The dairy association has almost 100 percent of the dairy producers in its membership. It handled in 1949, 97.8 percent of all milk sold to Swedish dairies. The cooperatives also manufactured in the same year 97.6 percent of the commercial butter and about 94.1 percent of the cheese. About half of the total value of products marketed cooperatively is handled by the dairies. Even though the dairy industry is nearly 100 percent cooperative, healthy competition prevails among the individual societies.

The dairy societies vary widely in size. In the smaller ones, a few farmers in the neighborhood deliver to a country plant. The largest one

Table 4. - *Volume of products handled by four major Swedish cooperative associations (in million pounds). Index 1935 = 100*

Year	Dairy		Meat marketing		Purchasing and selling		Egg marketing	
	Milk	Index	Slaughter	Index	Total turnover ¹	Index	Eggs	Index
1935-----	4,861	100	2,388	100	12,363	100	136	100
1939-----	6,539	135	3,521	147	21,411	173	222	163
1940-----	6,129	126	3,995	167	19,266	156	228	167
1941-----	5,470	113	3,521	147	20,472	166	167	122
1942-----	5,187	107	1,881	79	21,907	177	88	64
1943-----	5,891	121	2,498	105	26,210	212	105	77
1944-----	6,471	133	3,225	135	30,818	249	186	137
1945-----	7,092	146	2,985	125	28,898	234	294	215
1946-----	7,456	153	3,364	141	33,173	268	386	283
1947-----	7,326	151	3,761	158	33,234	269	370	271
1948-----	7,235	149	3,388	142	35,992	291	440	322
1949-----	8,111	167	4,008	168	39,101	316	534	392

¹Principally grain, feed, and fertilizers.

Source: Frostenson, Georg. *Foreign Service of the USA: Stockholm, December 29, 1949. No. 571. Holmstrom, Sven. Institute for Agricultural Investigations. 20 p. (Mimeographed report.) 1949.*

boasts 30,000 members. The farmers deliver the milk in cans to a point on the collection route. From there the milk is picked up and handled by association trucks. Some use also has been made of the trucks to deliver groceries at the same time.

The dairy association is concerned mainly with the collection, processing, and storage of milk and milk products. However, the group has set up its own machine factory and a special research station. Also some individual societies have set up retail milk shops. Home delivery of milk is almost unknown. The household consumers are supplied through milk shops only.

THE SWEDISH EGG MARKETING ASSOCIATION (SA)

This cooperative also was founded in 1932, though local groups were formed for collecting and selling eggs as early as the 1880's. In 1906 these groups began to form larger societies for quality control and marketing. Most of these larger societies are members of SA, which now has a membership of 23 regional egg marketing centers with 1,438 poultry farmers' societies. They serve 71,377 individual producer-members.

It is estimated that about 65 percent of the eggs marketed at wholesale are handled through these cooperatives. This represents about 35 percent of the total egg production of the country. The eggs are retailed in the large cities and towns and the surplus exported. The association also operates 10 large modern slaughterhouses for poultry.



About 65 percent of the eggs sold at wholesale, one-third of the total production in Sweden, is packed in cooperative plants.

ASSOCIATION OF SWEDISH FOREST OWNERS

This association, founded in 1932, was based on earlier joint activities in forest management and policy. The national association had 112,473 members in 1950, grouped in 29 local societies. The members control forest land amounting to 6 million hectares (or nearly 15 million acres). This is about 50 percent of the total land in farm forests. Although the national association does no selling, many of the locals do marketing. They also operate sawmills and handle both lumber and timber exports. Their activities are also partly educational, directed toward improved methods in the care and harvesting of timber.

SWEDISH FARMERS' MEAT MARKETING ASSOCIATION (SS)

This cooperative was founded in 1933. In 1950 it had 280,000 members in 37 meat marketing cooperatives. The membership of these cooperatives ranged from 3,000 to 25,000 members. They operate 60 slaughterhouses and about 40 meat factories. The organization controls over 72 percent of the total meat production and does one-third of the processing. A special branch handles the hides, and collects wool and horsehair.

Some of the meat marketing societies engage in retail trade, even supplying country districts by a system of truck delivery. Pigs and other livestock are also supplied.



The 60 cooperative slaughterhouses in Sweden handle about 72 percent of the total meat production.

FLAX-HEMP GROWERS' ASSOCIATION (RLH)

This federation, formed in 1942, is made up of six flax processing plants and two hemp dressing plants. The association operates modern facilities for preparing flax and hemp for market. It also markets fiber for the members. The association had 3,674 members in 1950.

SWEDISH OIL PLANT GROWERS ASSOCIATION (SOC)

This group was formed in 1943. Its membership rose from around 10,000 in 1949 to 20,000 at the end of 1950. Its functions are chiefly bargaining. The recent increase in membership has been mainly from extension of the oil crop acreage--primarily rape seed.

FEDERATIONS OF COOPERATIVES WHICH ARE NOT MEMBERS OF SL

All but two of the non-member groups have been at some time members of the Federation of Swedish Farmers' Associations. Former members include the Beet Growers' Association and the Elevator Association. The associations that have never been members are the Gardening Association, the Federation of Swedish Artificial Insemination Associations (Riksorganisationen Sveriges Semin Foreninger) and the Swedish Federation of Commercial Fruit Growers

BEET GROWERS' ASSOCIATION (SBC)

This is one of the oldest of the Swedish associations of cooperatives. It was organized in 1899. In 1950 the membership consisted of 19 locals with some 28,000 grower members. It is a bargaining agency which negotiates prices and other business terms with the Swedish Sugar Manufacturing Company.

ELEVATOR ASSOCIATION (SSS)

This association, organized in 1931, is a federation of eight local associations. In 1949 these locals had 4,700 grower members.

The purpose of this association is to promote cooperation among local elevator and other grain marketing associations, to sell grain, and to provide other services for members. Members are represented by 8 local elevator societies.

MARKET GARDENING ASSOCIATION (STR)

This society was organized in 1939 and reorganized in 1945. It is inactive at the present time.

Its member organizations--four regional garden centrals--still conduct business in vegetables, fruit, root crops and potatoes and have about 700 members and a combined business volume of 5.1 million kronor (\$985,830) in 1950.

The purpose of STR was to promote the interests of the members by working for quality improvement, standardization, control, payment according to quality, and to provide advisory and information services.

SWEDISH FEDERATION OF COMMERCIAL FRUIT GROWERS (SVERIGES YRKESFRUKTODLARES RIKSFORBUND)

The difficulties experienced in marketing the record crop of 1950 prompted the fruit growers to form a market organization. The organization, formed in 1951, was named Sveriges Yrkesfruktodlares. It has 10 local fruit growers' associations with a combined membership of 1,200 individual members. These control about 10 percent of total production.

The federation is promotional and is not engaged in selling activities. Important functions of the Federation of Commercial Fruit Growers are to maintain contact with the Market Regulatory Agency and the State Agricultural Marketing Board, and to establish weekly quotations of prices to producers for apples and pears. The latter function is performed in collaboration with the wholesale trade.

The new organizational set-up, reportedly, has been successful due to the awakened interest in orderly marketing on the part of the growers.

FEDERATION OF SWEDISH ARTIFICIAL INSEMINATION ASSOCIATIONS (RSS)

Artificial insemination is a rather recent development in Sweden as in this country. Started on a commercial scale in 1943, this activity is carried on almost altogether by farmer-owned and controlled artificial breeding associations. From 9 such associations in 1945, the number had increased to 29 in 1950, enlisting 18,145 herds and 221,000 cows or 13 percent of the total number of cows in the country. These groups are affiliated in a national, known as the Federation of the Swedish Artificial Insemination Associations (Rifsorganisationen Sveriges Semin Foreningar).

The average number of cows per herd enrolled was 12. The associations owned 260 bulls and employed altogether 80 college-trained veterinarians and 50 assistants who were specially trained.

According to approved cooperative policy, voting is on the basis of one vote per share of stock held and each share represents one cow. No member may control more than 20 percent of the votes represented at any meeting. A member may withdraw after two years if he so desires. Attempts are being made to create county-size locals, some with sub-stations where necessary.

Some interest has been shown in regulating this activity through registering approved bulls and judging the offspring. Such a program has been considered by Parliament.

STOREHOUSE SOCIETIES

Apart from the purchasing and selling societies are the related storehouse, storage, grain-drying, and grain-selling societies. Most of these are members of the Association of Swedish Grain Societies (Svenska Spannmalsforeningarnas Samorganisation) which cooperates with the SLR in the sale of grain.

MACHINE STATIONS

Machine Stations, so called, are important in agricultural production. Through 400 to 500 such stations farmers use jointly expensive machinery for cultivating, planting, and harvesting crops as well as land clearing and spraying equipment. These stations have been financed partly by government loans and grants. As the average Swedish farm is only a few acres in many cases it is not practical for farmers to own this machinery individually.

AGRICULTURAL COOPERATIVES AND THE GENERAL FARM ORGANIZATIONS

Side by side with the cooperative associations and SL, another nationwide organization has grown up. This is the Swedish Farmers' Union (RLF) (figure 3). This organization expanded greatly during the general depression of the 1930's. During that discouraging period many farmers lost faith in the cooperatives. RLF did much to restore the farmers' confidence. The union has generally assumed a sponsoring role toward cooperatives. It assists in the organization of new societies and tries to create a favorable public opinion for them.

Local units of RLF are scattered all over the country. They plan important work in their districts and arrange for forums at which local problems are discussed, and for debates on such questions as prices, schools, roads, and the methods and aims of RLF and the cooperatives.

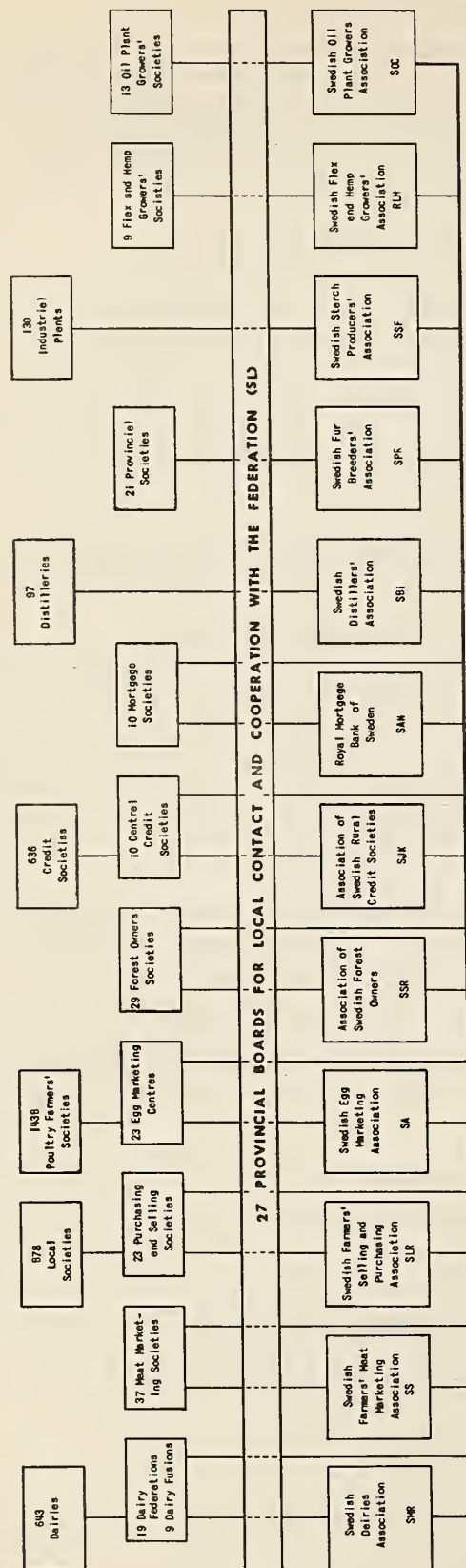
At the close of 1949, members in this union numbered 194,000. This is about 75 percent of these making a major part of their living from farming or closely related industries.

The two large central organizations SL and RLF cooperate on questions involving cooperatives and farming. Together they represent agriculture in negotiations with the government on such questions as price regulations. The two organizations jointly own the "Institute of Agricultural Investigations." Each year the Institute calculates the total cost of agricultural production. These calculations form the basis for the annual price negotiations between the government and the farm organizations.

Common board meetings are arranged for discussing important matters. At these meetings the chairman and vice-chairman of one organization automatically become delegates on the board of the other. Both organizations took part in the negotiations and resulting contracts with the Cooperative

FIGURE 3

1,092,658 PRODUCER MEMBERS .. 1950



THE FEDERATION OF SWEDISH FARMERS' ASSOCIATIONS

(SVERIGES LANTBRUKSFÖRBUND) (S.L.)

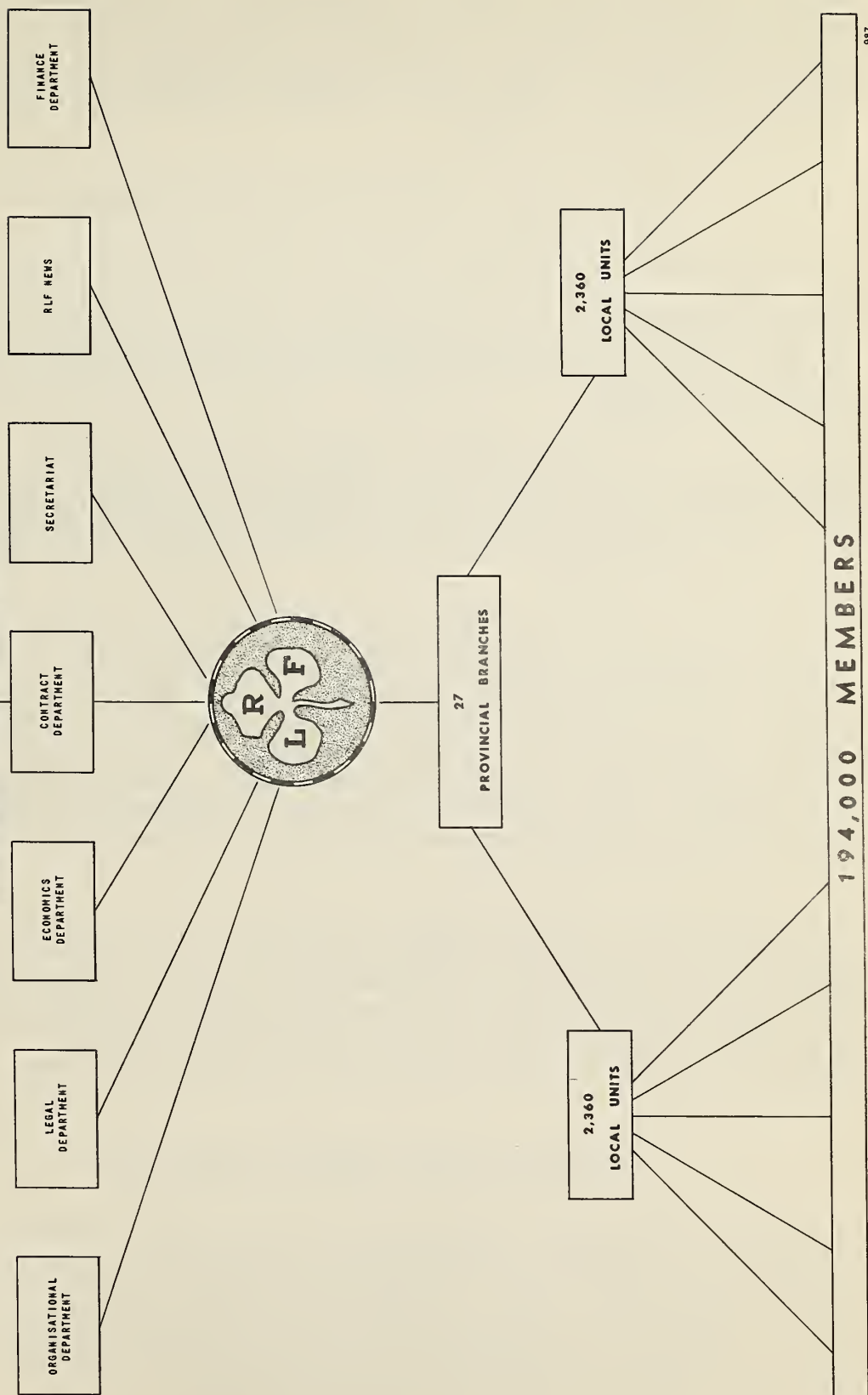
GENERAL ACTIVITIES, INVESTIGATION, ADVICE, INFORMATION AND INSTRUCTION, NEGOTIATIONS, COOPERATION
WITH OTHER ORGANISATIONS, SERVICE FOR FARMERS AND THEIR COOPERATIVE SOCIETIES, ETC.

Special Departments

SECRETARIAT SOLICITORS' DEPARTMENT PRESS RELATIONS Liaison	ECONOMIC ANALYSIS MARKETING INSTRUCTION Lecture Bureau	ACCOUNTS BUREAU 15 Offices Taxes and Legal Department	ADMINISTRATION ADVERTISING	PURCHASING DEPARTMENT CHEMICALS DEPARTMENT with FACTORY
PUBLISHING COMPANY (LT)	AUDITING AND ACCOUNTING BUREAU LTU. 15 Offices	BUILDING SOCIETY (LBF) 25 Offices	SCHOOL FOR COOPERATIVE EDUCATION	
NEWSPAPERS-JOURNALS-BOOKS	FILM DEPARTMENT (Sol-film) CORRESPONDENCE SCHOOL (LTK)			

The figures given except producer membership refer to the end of 1949.

SWEDISH FARMERS' UNION
 (CRICKSFORBUNDET LANDSLEYGDENS FOLKXRL.F.)



Society which represents consumer cooperatives. In like manner they work closely together in matters of international agricultural policy. The delegations work jointly at such international conferences as the International Federation of Agricultural Producers (IFAP), the Food and Agriculture Organization (FAO), and the Joint Council of Farm Organizations of the Nordic Countries (NBC).

AGRICULTURAL COOPERATIVES AND THE GOVERNMENT

The agricultural cooperatives of Sweden are wholly independent of government control. However, they have received strong sympathetic support from the government. Also the cooperatives are so dominant in some commodity fields that they have been assigned the responsibility for certain government programs. In like manner they are in position to influence government programs.

Some examples will be cited. One example is the milk price stabilization program. Since prewar years the Swedish government has authorized SMR to collect and distribute certain funds for equalizing the price of milk. This authority has done much to facilitate the extension of cooperative milk marketing.

The derationing of meat is another example. This was under discussion at the beginning of 1949. The government was in favor of postponing action for fear of an unfavorable effect on the cost-of-living index. Farmers, however, were in favor of derationing, since rationing had caused a great deal of black market slaughter. As an alternative procedure, the government cancelled a number of slaughter permits held by small butchers. The purpose was to check black market slaughter. One result, however, was to increase the volume of business of the cooperative meat packing associations.

During World War I, the government financed the building of granaries for the purpose of helping farmers store grain. In the 1930's the government issued loans up to 85 percent of the cost of constructing warehouses for storing products. It also helped finance storage with loans up to 80 percent of the value of the warehouse receipts. The former loans were mostly to consumer cooperatives, the latter to farmer cooperatives.

AGRICULTURAL AND CONSUMER COOPERATIVES

In Sweden, farmers' and consumers' cooperatives, while both are strongly developed, are completely independent of each other. Farmers make up a big part of the membership of consumer cooperatives. However, the thinking and leadership of these cooperatives has been predominately urban. This has resulted in a difference in operating objectives between the two groups. Naturally the objective of one is to buy as cheaply as possible; that of the other is to sell as high as possible.

While the cooperative enterprises were mainly local, there was room for both agricultural and consumer cooperatives to expand without encroaching on each other's territory. In the early 1920's, however, some of the meat-marketing cooperatives extended their operations to include retailing and manufacturing meat products. This was done by county federations of local societies.

Some discussions took place in the 1920's concerning definition of the respective spheres of the farmers' and consumers' associations. Nothing came of it. The main sources of difference seemed to be the opening of retail shops by farmers for selling meat and dairy products.

The formation of the national federations of cooperatives intensified this competition. Negotiations between the Federation of Swedish Farmers' Associations (SL) and the Swedish Cooperative Wholesale Society (KF) finally resulted in the agreement of 1936. In general, this agreement defined the fields of activity for the various types of cooperatives and provided for arbitration committees to settle disputes. Both sides, however, were too aggressive. The agreement didn't work. They both expanded their activities. Many disputes were referred to the arbitration committees. Continued differences and continued expansion led to another agreement--that of 1945.

The 1945 agreement was made for a 5-year period or until the end of 1950. It was then renewed for one more year. This agreement had few remedial factors. It recognizes the right of both groups to expand and compete and accepts the present pattern of cooperative trade as a standard. Then it concerns itself with means of regulation within that pattern.

Both sides want to get along together but cannot find a compatible formula. In the meantime they are keen competitors in some fields. However, each is the other's best customer.

English Name	Danish Name	Initials
Danish Cooperatives		
Agricultural Council	Landbrugsraadet	
Central Cooperative Committee	Andelsudvalget	C.C.C.
Cooperative Bank	Andelsbanken	
Cooperative Feeding-Staff Societies	Andels-Foderstofforretning	
Cooperative Societies Sanatorium Association	Andelforeningernes Sanatoriumforening	O.X.C.O.
Dairy and Agricultural Accident Insurance Society	Mejeriernes og Landbrugets Ulykkesforsikring	D.A.K.
Danish Cattle and Beef Export Organization, The	Landbrugets Kvaeg og Kødsalg	F.D.B.
Danish Cooperative Cement Factory	Dansk Andels Cementfabrik	
Danish Cooperative Coal Association	Dansk Andels Kulforretning	
Danish Cooperative Fertilizer Association	Dansk Andels Gødningforretning	
Danish Cooperative Wholesale Society	Fællesforeningen for Danmarks Brugsforeninger	
Danish Dairies, Joint Cheese Sales and Exports	Danske Ostemejeriers Fællessalg og Osteeksport	
Danish Dairies, Joint Purchasing		
Agency and Engineering Works, The	De Danske Mejeriers Fællesindkøb og Maskinfabrik	D.L.R.
Danish Farmers' Cattle Sales Association	Danske Landbrugeres Kreatursalgs-forening	D.A.E.
Danish Farmers' Cooperative Egg Export Association	Dansk Andels Aeg-export	
Danish Farmers' Cooperative Machinery Purchase Society		
Danish Farmers' Cooperative Seed Supply Association	Dansk Landbrugs Andels-maskinindkøb	D.L.F.
Danish Fruit Growers' Cooperative Association	Danske Landboforeningers Froforsyning	
Federated Danish Cooperative Butter Export Association, The	Danmarks samvirkende Frugtsalgforeninger	
Federation of Cooperative Poultry Killing Stations	De samvirkende Danske Andels-Smørekseportforeninger	
Federation of Danish Cooperative Bacon Factories, The	De samvirkende Danske Andels-Fjerkræslagterier	
Federation of Danish Cooperative Cattle Export Associations, The	De samvirkende Danske Andels-slagterier	
Federation of Danish Agricultural Societies	De samvirkende Danske Andelskreaturekseportforeninger	F.D.A.S.
Federation of Danish Cooperative Societies, The	De samvirkende Danske Landboforeninger	F.D.C.S.
Federation of Danish Dairy Associations, The	De samvirkende Danske Andels-selskaber	
Federation of Danish Smallholders Societies	De Danske Mejeriforeningers Fællesorganisation	F.D.S.S.
Funen Cooperative Feeding-Staffs Association	De samvirkende Danske Husmandsforeninger	
Islands' Cooperative Association for the Purchase of Feeding Staffs	Fyns Andels-Foderstofforretning	
Jutland Co-operative Society for the Purchase of Feeding-Staffs	Øernes Andelskab for Indkøb af Foderstoffer	
Large Farm-Owners' Association	Jydsk Andels-Foderstofforretning	
Lolland-Falster Cooperative Feeding-Staffs Association	(Centralforeningen af Tolvmands-foreninger og større Landbrugere i Danmark	
National Association of Cooperative Machine Stations	Lolland-Falsters Andels-Foderstofforretning	
National Union of Cooperative Village Banks		
Royal Danish Agricultural Society, The	Forening af Danske Andelskasser	N.A.F.
Scandinavian Cooperative Wholesale Society	Det Kongelige Danske Landhusholdningsselskab Nordisk Andelsforbund	

InitialsSwedish NameEnglish Name

Swedish Cooperatives

Association of Swedish Forest Owners
 Beet Growers' Association
 Elevator Association
 Flax-Hemp Growers' Association
 Federation of Swedish Artificial Insemination
 Associations
 Federation of Swedish Farmers' Associations
 Machine stations
 Market Gardening Association
 Royal Mortgage Bank of Sweden
 Storehouse societies
 Swedish Dairies Association
 Swedish Marketing Association
 Swedish Egg Association
 Swedish Farmers' Bank-Credit Association
 Swedish Farmers' Meat Marketing Association
 Swedish Farmers' Purchasing and Selling
 Association
 Swedish Farmers Union
 Swedish Federation of Commercial Fruit Growers
 Swedish Oil Plant Growers' Association
 Swedish Promological Association
 Swedish Starch Producers' Association

Riksgöransöningen Sveriges Semin Foreninger
 Sveriges Lantbruksförbund

Svenska Mejeriernas Riksförbundet

Sveriges Slakteriförbund

Riksförbundet Landsbygdens Folk
 Sveriges Yrkesfruktodlare

Sveriges Starkelseproducenters förening

SSR
 SBC
 SSS
 RLH

RSS
 SL

STR
 SAH

SMR
 SEI
 SA

SJK
 SS

SLR
 RLF

SVR
 SOC

SSF

LIST OF REFERENCES

Note: In assembling basic material for this publication, the following sources of information were drawn upon primarily. The assistance of their authors is gratefully acknowledged.

Denmark

- Andelsbladet 1951, Nos. 46-49.
 Christensen, Chris L. Agricultural Cooperation in Denmark. USDA Dept. Bul No. 1266, 1924. 88 p.
Cooperative News Service No. 15, International Cooperative Alliance. London, August 15, 1951.
 Drejer, A. Axelsen. Cooperation in Denmark. Published by the Central Cooperative Committee, 1947. 38 p.
The Cooperative Movement in Denmark. In Review of International Cooperation, Oct. 10, 1951.
 Knudsen, A. F. Landbrugets Organisationer. Landbrugsudstillingen, Copenhagen, 1938. 144 pp.
Landøkonomisk Aarbog 1951.
 LeBovitt, H. Foreign Service of the USA, Copenhagen 215, March 18, 1950. Agricultural Technology and Farm Organizations.
 LeBovitt, H. Foreign Service of the USA, Copenhagen 1069, June 12, 1951. Additional Information on Danish Agricultural Cooperatives.
Official Control of the Export from Denmark of Agricultural Produce. Published by the Ministry of Agriculture and Fisheries. Copenhagen, 1938. 25 p.
 Pedersen, Clemens. In Review of International Cooperation, March 1948; In Yearbook of Agricultural Cooperation, Horace Plunkett Foundation, 1951.
 Ravnholt, Henning. The Danish Cooperative Movement. Danish Information Handbooks, 1947 and 1950.
 Smith, Louis P. F. Danish Cooperatives. In Agricultural Ireland, October 1951.

Sweden

- Agricultural Atlas of Sweden, Stockholm, 1938. 176 p.
Federation of Swedish Farmers' Associations, Stockholm, 1946. 26 p.
 Frostenson, Georg. Foreign Service of the USA, Stockholm, January 23, 1948. No. 54 (Memo.)
 Frostenson, Georg. Foreign Service of the USA, Stockholm, December 29, 1949 No. 571 (Memo.)
 Frostenson, Georg. Foreign Service of the USA, Stockholm, January 30, 1951. No. 806 (Memo.)
 Frostenson, Georg. Foreign Service of the USA, Stockholm, December 14, 1951. No. 479 (Memo.)
 Gullander, Ake. Farmers Cooperation in Sweden, London, 1948. 152 p.
 Hewlett, Robert. Relations Between Farmers' Co-operatives and Consumers' Co-operatives in Sweden. Stockholm. 8 p. January 29, 1951 (Mimeographed by the International Federation of Agricultural Producers, Washington, D. C.)
 Holstrom, Sven. Sweden. Institute for Agricultural Investigations. 20 p. 1950 (Mimeo.)
 Holstrom, Sven. Swedish Farmers' Economic Association in 1948. Stockholm, 1950. 17 p.
 Kapy, Erkki I. Foreign Service of the USA, Stockholm, December 15, 1950. No. 636 (Memo.)
 Odhe, Throsten (Sweden). The Place of Co-operation in World Economy. International Cooperative Alliance. London, 1947. 21p.
OFAR Agricultural Reporting Schedule (Mimeographed)
 Spencer, Leland. Sweden's Way with Dairy Co-ops. In News for Farmer Co-ops. June 1951. p. 15
Swedish Farmers' Organizations (by the federations) Stockholm, 1950. 55 p.

